

~~FCC MAIL SECTION~~  
Federal Communications Commission

FCC 97-210

JUN 25 11 55 AM '97  
 Before the  
 FEDERAL COMMUNICATIONS COMMISSION  
 Washington, D.C. 20554  
 DISPATCHED BY

In the Matter of )  
 )  
 CCN, Inc., )  
 Church Discount Group, Inc., )  
 Discount Calling Card, Inc., )  
 Donation Long Distance, Inc. )  
 Long Distance Services, Inc., )  
 Monthly Discounts, Inc., )  
 Monthly Phone Services, Inc., and )  
 Phone Calls, Inc., ) CC Docket No. 97-144  
 )  
 )  
 Order to Show Cause and )  
 Notice of Opportunity for Hearing )

**ORDER TO SHOW CAUSE AND**  
**NOTICE OF OPPORTUNITY FOR HEARING**

Adopted: June 12, 1997; Released: June 13, 1997

By the Commission:

**I. INTRODUCTION**

1. In this Order to Show Cause and Notice of Opportunity for Hearing (hereafter, "Show Cause Order"), we initiate enforcement action against CCN, Inc., Church Discount Group, Inc., Discount Calling Card, Inc., Donation Long Distance, Inc., Long Distance Services, Inc.,<sup>1</sup> Monthly Discounts, Inc., Monthly Phone Services, Inc., and Phone Calls, Inc. (collectively, the "Fletcher Companies").<sup>2</sup> As discussed below, the information obtained as a result of the staff's investigation of numerous consumer complaints filed against the Fletcher Companies persuades

<sup>1</sup> A number of companies are currently incorporated under the name "Long Distance Services, Inc." This Show Cause Order concerns the company that was incorporated in the commonwealth of Virginia on January 10, 1994 under the name "Long Distance Services, Inc.," and whose executive officer and/or registered agent is Daniel Fletcher. We also note that there appear to be a number of names under which Long Distance Services, Inc. marketed its services, such as "Long Distance Services of Virginia," "Charity Long Distance," and "Church Long Distance."

<sup>2</sup> For purposes of this Order, the term "Fletcher Companies" includes any successors or assigns of the Fletcher Companies.

us that an evidentiary hearing is required to determine whether the operating authority of the Fletcher Companies should be revoked and whether the principal or principals of the Fletcher Companies<sup>3</sup> and the Fletcher Companies should be ordered to cease and desist from any future provision of interstate common carrier services without the prior consent of the Commission.

## II. BACKGROUND

2. The Fletcher Companies operate as common carriers subject to Title II of the Act. Specifically, the Fletcher Companies currently provide or have provided resale interstate long distance telecommunications services to consumers in various states around the country<sup>4</sup> including, but not limited to, Alabama, California,<sup>5</sup> Florida, Louisiana, Maryland, New York, Pennsylvania, and Virginia. Under the regulatory scheme established by the Act and the Commission's *Competitive Carrier* proceeding, the Fletcher Companies are classified as

---

<sup>3</sup> As discussed in more detail below, Daniel Fletcher appears to be the principal owner and operator of each of the Fletcher Companies. Other individuals who appear to be connected with the Fletcher Companies in some capacity as either principals or officers are Robert Motter and Sandra Platt.

<sup>4</sup> The Fletcher Companies have recently been the subject of enforcement actions in several states. On January 17, 1997, the Alabama Public Service Commission ("APSC") held a hearing to show cause why Phone Calls, Inc.'s certificate of public convenience and necessity should not be revoked for failure to comply with the rules and regulations established by the APSC. The APSC cited, among other things, numerous complaints received from consumers alleging that Phone Calls, Inc. had switched their long distance service providers without their authorization. No representative from Phone Calls, Inc. appeared at the hearing, and on February 3, 1997, the APSC entered an order revoking and cancelling Phone Calls, Inc.'s certificate, and directing Phone Calls, Inc. to cease and desist from providing telecommunications service intrastate in Alabama. See Order of Revocation, Alabama Public Service Commission, Feb. 3, 1997. Further, on January 15, 1997, the New York Public Service Commission ("NYPSC") took emergency action to suspend the intrastate operating certificate of Phone Calls, Inc. for 30 days pending a demonstration by the company that its certificate should not be permanently revoked. The NYPSC stated that pending final action, Phone Calls, Inc. may not acquire new intrastate customers, and that no telephone carriers may switch intrastate customers to Phone Calls, Inc. The NYPSC cited the growing number of consumer complaints charging that Phone Calls, Inc. had changed consumers' primary interexchange carriers without their authorization. See Press Release, New York Public Service Commission, Jan. 15, 1997. Additionally, on December 13, 1996, the Louisiana Public Service Commission held hearings concerning Phone Calls, Inc. and Charity Long Distance (see *supra* note 1). See Notices of Hearing, Louisiana Public Service Commission, Nov. 8, 1996. On December 2, 1996, the Illinois Public Service Commission revoked Phone Calls, Inc.'s intrastate operating authority for failure to file annual reports, and on August 23, 1996, the South Carolina Public Service Commission ordered Phone Calls, Inc. to show cause why its certificate of public convenience and necessity should not be revoked. See Order of Revocation, Illinois Public Service Commission, Dec. 2, 1996; Order Granting Rule to Show Cause, South Carolina Public Service Commission, Aug. 23, 1996.

<sup>5</sup> We note that on November 22, 1996, the Attorney General of California sent a letter to the Attorney General of Virginia, with a copy to the Commission, concerning several complaints from California consumers whose long distance service providers were changed by Long Distance Services, Inc. without the consumers' authorization. The Attorney General of California stated in his letter that Long Distance Services, Inc. had not responded to requests for information by law enforcement agencies. See Letter from Daniel E. Lungren, Attorney General, State of California, to Office of the Attorney General, Virginia, Nov. 22, 1996 (Attachment, Valerie Patterson, Informal Complaint, File No. 97-08268 (Dec. 4, 1996).

nondominant interexchange carriers.<sup>6</sup> As such, they are considered to have "blanket" authority to operate domestic common carrier facilities within the meaning of Section 214 of the Act.<sup>7</sup> Accordingly, the Fletcher Companies may "construct, acquire, or operate" any transmission line for domestic telecommunications service without obtaining prior written authorization from the Commission.<sup>8</sup>

3. At all times relevant to this enforcement action, the Fletcher Companies were required to file and maintain with the Commission tariffs containing schedules of the charges, terms, and conditions of their common carrier offerings in the manner prescribed by Section 203

---

<sup>6</sup> In the *Competitive Carrier* proceeding, the Commission distinguished two kinds of carriers -- those with market power (dominant carriers) and those without market power (nondominant carriers). See Policy and Rules Concerning Rates for Competitive Carrier Services and Facilities Authorizations Therefor, CC Docket No. 79-252, Notice of Inquiry and Proposed Rulemaking, 77 FCC 2d 308 (1979); First Report and Order, 85 FCC 2d 1 (1980) (*First Report and Order*). In a series of orders issued in the *Competitive Carrier* proceeding, the Commission relaxed its tariff filing and Section 214 facilities authorization requirements for nondominant carriers, and focused its regulatory efforts on constraining the ability of dominant firms to act contrary to consumer welfare. See Further Notice of Proposed Rulemaking, 84 FCC 2d 445 (1981); Second Further Notice of Proposed Rulemaking, FCC 82-187, 47 Fed. Reg. 17,308 (1982); Second Report and Order, 91 FCC 2d 59 (1982); Order on Reconsideration, 93 FCC 2d 54 (1983) (*Second Report and Order*); Third Report and Order, 48 Fed. Reg. 46,791 (1983) (*Third Report and Order*); Fourth Report and Order, 95 FCC 2d 554 (1983) (*Fourth Report and Order*), vacated *AT&T Co. v. FCC*, 978 F.2d 727 (D.C. Cir. 1992), cert. denied, *MCI Telecommunications Corp. v. AT&T Co.*, 509 U.S. 913 (1993); Fourth Further Notice of Proposed Rulemaking, 96 FCC 2d 1191 (1984); Fifth Report and Order, 98 FCC 2d 1191 (1984) (*Fifth Report and Order*); Sixth Report and Order, 99 FCC 2d 1020 (1985) (*Sixth Report and Order*), vacated *MCI Telecommunications Corp. v. FCC*, 765 F.2d 1186 (D.C. Cir. 1985) (collectively referred to as the *Competitive Carrier* proceeding).

<sup>7</sup> In the course of the *Competitive Carrier* proceeding, the Commission revised Section 63.07 of the Commission's rules to "authorize" any nondominant domestic interstate carrier to construct, acquire, or operate any transmission line so long as it obtained the necessary authorizations from the Commission for use of radio frequencies. 47 C.F.R. § 63.07; *Fifth Report and Order*, 98 FCC 2d at 1210. On occasion, this action has been referred to by the Commission as "blanket" or "automatic" authorization. E.g., *Motion of AT&T Corp. to be Reclassified as a Non-Dominant Carrier*, 11 FCC Rcd 3271, 3280 (1995). In an order released on January 13, 1997, the Commission proposed to repeal Section 63.07 of the Commission's rules in light of its proposal to no longer require nondominant domestic interstate carriers to obtain Section 214 authorization for the construction, acquisition, or operation of new lines between domestic points, or for transmission over such lines. See Implementation of Section 402(b)(2)(A) of the Telecommunications Act of 1996 (Section 214 -- Extensions of Lines), CC Docket No. 97-11, FCC 97-6 (rel. Jan. 13, 1997).

<sup>8</sup> In the *Second Report and Order*, the Commission found that the requirements of Section 214 as they applied to nondominant carriers did little to serve the purposes of the Act and actually deterred the introduction of innovative and useful services, as well as new market entrants. See *Second Report and Order*, 91 FCC 2d at 65. The Commission later concluded that market forces, together with the Section 208 complaint process and the Commission's ability to reimpose facilities authorization requirements, were sufficient to protect the public interest. *Fourth Report and Order*, 95 FCC 2d at 578.

(a) of the Act and the Commission's rules and orders.<sup>9</sup> In addition, as common carriers, the Fletcher Companies are required by Section 413 of the Act to file with the Secretary of the Commission the name of a designated agent for service of all notices and process, orders, and requirements of the Commission, and by Section 416(c) of the Act to observe and comply with all Commission orders.<sup>10</sup>

4. The Commission has consistently emphasized the critical importance of enforcement through its complaint process to ensure that common carriers do not charge unjust and unreasonable rates, engage in unjust, unreasonable, or unreasonably discriminatory practices, or otherwise conduct their common carrier operations in a manner that may be harmful to consumers and to competition.<sup>11</sup> The Commission has established rules and procedures specifically designed to enable consumers to bring to the Commission's attention allegations of misconduct by carriers and to obtain relief from rates and practices found to be unlawful or otherwise contrary to the public interest.<sup>12</sup> Pursuant to these rules, the Common Carrier Bureau's

---

<sup>9</sup> Section 10 of the 1996 Act provides the Commission with authority to forbear from applying the provisions of Title II, including the tariffing provisions, subject to certain, limited exceptions. On October 31, 1996, the Commission released the *Tariff Forbearance Order*, in which it adopted a complete detariffing policy for the domestic interstate, interexchange services of nondominant, interexchange carriers, pending a nine-month transition period. Policy and Rules Concerning the Interstate, Interexchange Marketplace, Implementation of Section 254(g) of the Communications Act of 1934, as amended, Second Report and Order, CC Docket No. 96-61, FCC 96-424 (rel. Oct. 31, 1996) (*Tariff Forbearance Order*), stayed sub nom. *MCI Telecommunications Corp. v. FCC*, Consolidated Cases 96-1459, 96-1477, 97-1009, Feb. 13, 1997; recon. pending. Because the alleged violations at issue in this proceeding predate the Commission's adoption of a complete detariffing policy, which in any event was stayed by the court, the Fletcher Companies were responsible for filing tariffs for all their domestic interstate, interexchange services.

<sup>10</sup> 47 U.S.C. §§ 413; 416(c). Section 416(c) states that "[i]t shall be the duty of every person, its agents and employees, and any receiver or trustee thereof, to observe and comply with such orders so long as the same shall remain in effect."

<sup>11</sup> See, e.g., *Tariff Forbearance Order* at para. 36 (noting that administration of the Section 208 complaint process should protect consumers from carrier rates and practices that violate Sections 201 and 202 of the Act); Implementation of the Telecommunications Act of 1996, Amendment of Rules Governing Procedures to be Followed When Formal Complaints are Filed Against Common Carriers, CC Docket No. 96-238, Notice of Proposed Rulemaking, FCC 96-460, para. 88, rel. Nov. 27, 1996 (*Formal Complaints NPRM*) (proposing rules of practice and procedure which, by providing a forum for prompt resolution of complaints of unreasonable, discriminatory, or otherwise unlawful conduct by telecommunications carriers, will foster robust competition in all telecommunications markets).

<sup>12</sup> Pursuant to Section 208 of the Act, any person has a right to complain to the Commission concerning "anything done or omitted to be done by any common carrier" subject to the provisions of the Act. Under the Commission's rules, such a complaint may be either "informal" or "formal." 47 U.S.C. § 208. In the recent *Formal Complaints NPRM*, discussed *supra*, the Commission proposed rule modifications to improve the speed and effectiveness of its formal complaints process. See *Formal Complaints NPRM*, *passim* (proposing changes to *inter alia*, Sections 1.720 - 1.735 of the Commission's Rules, 47 C.F.R. §§ 1.720 - 1.735). The Commission's informal complaint rules and procedures are designed primarily to benefit consumers by requiring common carriers to respond promptly to complaints about rates, practices, or other conduct believed to violate the Act or our rules and orders.

("Bureau") Enforcement Division, upon receipt of a consumer complaint, routinely issues an "Official Notice of Informal Complaint" ("Official Notice") to all carriers identified in the complaint or that may, in the staff's view, assist in the resolution of the complaint. The Official Notice requires the common carrier to satisfy or answer the complaint and respond to the Commission's Official Notice with a written report, a copy of which must be sent directly to the complainant. The Official Notice also outlines the following consequences of failing to respond to the Official Notice within the time specified:

Failure of any person to answer any lawful Commission inquiry is considered a misdemeanor punishable by a fine under Section 409(m) of the Communications Act, 47 U.S.C. § 409(m). Further, failure to comply with any order of the Commission can result in prosecution under Section 401(b) of the Act, 47 U.S.C. § 401(b). Section 501 of the Act, 47 U.S.C. § 501, and Section 503(b)(1)(B) of the Act, 47 U.S.C. § 503(b)(1)(B), provide for forfeiture penalties against any person who willfully fails to follow the directives of the Act or of a Commission order. The Commission can impose forfeiture penalties of up to \$1,100,000 for certain types of violations.

A. Consumer Complaints Against the Fletcher Companies

5. In 1993, the Commission began receiving complaints from consumers alleging, *inter alia*, that certain of the Fletcher Companies had changed their primary interexchange carriers or "PICs" from their presubscribed carriers to one of the Fletcher Companies without their knowledge and authorization, a practice commonly referred to as "slamming."<sup>13</sup> Most of these complaints contain allegations that the Fletcher Companies used misleading and, in some cases, fraudulent, marketing practices in order to effect the unauthorized PIC changes. In particular,

---

See Sections 1.716 - 1.718 of the Commission's Rules, 47 C.F.R. §§ 1.716 - 1.718. Recently, Commission staff have implemented internal changes designed to facilitate faster processing of informal complaints. See, e.g., Public Notice, "Common Carrier Bureau Simplifies Process for Consumers' Slamming Complaints," DA 96-728, May 9, 1996.

<sup>13</sup> The Commission has long prohibited the practice of slamming, and has promulgated rules and issued orders designed to protect consumers from unauthorized PIC changes. See 47 C.F.R. §§ 64.1100 and 64.1150; Policies and Rules Concerning Unauthorized Changes of Consumers' Long Distance Carriers, 10 FCC Rcd 9560 (1995) (*LOA Order*), *recon. pending*; Policies and Rules Concerning Long Distance Carriers, 7 FCC Rcd 1038 (1992) (*PIC Change Order*); *recon. denied*, 8 FCC Rcd 3215 (1993); Investigation of Access and Divestiture Related Tariffs, CC Docket 83-1145, Phase I, 101 FCC 2d 911 (1985) (*Allocation Order*); *recon. denied*, 102 FCC 2d 503 (1985) (*Reconsideration Order*); Investigation of Access and Divestiture Related Tariffs, Phase I, 101 FCC 2d 935 (1985) (*Waiver Order*). The Commission's PIC-change rules and orders require, among other things, that interexchange carriers ("IXCs") obtain signed letters of agency ("LOAs") or, in the case of telemarketing solicitations, complete one of four telemarketing verification procedures before submitting PIC-change requests to local exchange carriers ("LECs") on behalf of consumers. See *PIC Change Order*, 7 FCC Rcd at 1038-39. The Commission has initiated numerous enforcement actions against carriers found to have engaged in the practice of slamming. See, e.g., *Cherry Consent Decree*, 9 FCC Rcd 2086 (1994).

a number of consumers have provided information in their complaints<sup>14</sup> indicating that the Fletcher Companies converted their long distance service providers by submitting, directly or through marketing agents, forged or falsified letters of agency ("LOAs") to the local exchange carriers responsible for effecting the PIC changes.

6. In certain complaints filed against Phone Calls, Inc. ("PCI"), consumers allege that PCI not only converted their long distance providers to PCI without their authorization through the use of forged or falsified LOAs, but that PCI also billed them for long distance calls that they did not place to unfamiliar telephone numbers.<sup>15</sup> In some cases, complainants provided copies of telephone bills that contain charges for calls to numbers that the consumers claim were not working numbers.<sup>16</sup>

7. In still other complaints filed against Discount Calling Card ("DCC"), consumers allege that they were enrolled in a so-called "discount calling card service" offered by DCC, and assessed monthly fees for the service without their knowledge or authorization.<sup>17</sup> It appears that

---

<sup>14</sup> See, e.g., Patricia Day, Informal Complaint, File No. IS-96-15849 (Aug. 3, 1996) (The signature on the copy of the LOA that Day requested and received from U.S. Billing, the billing agent for many of the services provided by the Fletcher Companies, is a forgery according to Day and contains incorrect information regarding Day's age, zip code, and street name.); Johnny C. Johnson, Informal Complaint, File No. IC-96-07820 (June 12, 1996) (The copy of the LOA that Johnson obtained contains what appears to be the forged signature of Carla Parham, Johnson's former roommate. The printed name and signature on the LOA used to change Johnson's long distance telephone service is spelled "Carla Tarham."); Andy Gayford, Informal Complaint, File No. IS-96-11050 (Aug. 5, 1996) (The copy of the LOA Gayford obtained bears the printed name and signature of an individual named "Carl Shogren," whom Gayford cannot identify. The LOA also contains a phone number that had not been assigned to Gayford as of the date noted on the LOA, as well as an unfamiliar street address that lacks a house number.) Numerous other complaints describe circumstances in which consumers have been unable to determine which of the various Fletcher Companies was responsible for requesting the unauthorized changes in their long distance service providers. Typically, only the name of the billing agent for the Fletcher Companies appears on the consumers' telephone bills, and the billing agents have been either unable or unwilling to provide specific information about the identity or whereabouts of the carrier on whose behalf the bill was rendered. See, e.g., Stephen R. Crosby, Informal Complaint, IC-96-12904 (Aug. 17, 1996) (Crosby's bill includes the name of U.S. Billing, a billing agent for the Fletcher Companies, but does not identify the company responsible for assessing the charges).

<sup>15</sup> See, e.g., Rosemary A. Fleming, Informal Complaint, File No. IC-97-0829 (Dec. 19, 1996); Madeline Valdes, Informal Complaint, File No. IC-97-04240 (Nov. 25, 1996). We note that on December 16, 1996, the Louisiana Public Service Commission ("LPSC") issued a "Telephone Consumer Alert" concerning PCI's billing practices. The LPSC announced its investigation into numerous complaints by consumers about charges assessed by PCI for mysterious calls, usually two separate calls, about 32 days apart, to the same telephone number, at the same time of day, for 33 minutes each. For each of these calls, the bill totalled \$9.86, and the amount owed to PCI for the two calls, including taxes, was \$20.31. Apparently, none of these consumers placed the calls in question. The LPSC cautioned telephone customers to check their bills for October through December 1996 to ascertain whether they had been charged for any such calls. See Louisiana Public Service Commission Press Release, Dec. 16, 1996.

<sup>16</sup> See, e.g., Madeline Valdes, Informal Complaint, cited *supra* note 15.

<sup>17</sup> See, e.g., Harold Pierce, Informal Complaint, File No. IC-96-14353 (July 16, 1996).

these consumers were able to determine the existence of DCC and their involvement with the unauthorized charges only after contacting the billing agents listed on their telephone bills,<sup>18</sup> who would typically inform them that the discount calling card service fee had been billed on behalf of one of the Fletcher Companies.<sup>19</sup>

8. The complaints described in the paragraphs above are just examples of the numerous consumer complaints filed against the Fletcher Companies since 1993 that reflect a pervasive pattern of questionable business and marketing practices under the Commission's rules. In accordance with the rules and procedures described above, the Bureau's Enforcement Division forwarded each of the consumer complaints filed against the Fletcher Companies to the appropriate company with the requisite Official Notice.<sup>20</sup> Records maintained by the Bureau's Enforcement Division reveal that the Fletcher Companies failed to respond to the vast majority of the Notices issued by the staff. The Appendix to this Show Cause Order identifies those Official Notices that have not been responded to by various Fletcher Companies.

9. In the few instances in which the Fletcher Companies filed responses to the Commission's Official Notices, the responses were poorly prepared, failed to "satisfy" the complaints within the meaning of Sections 208 of the Act and 1.717 of our rules,<sup>21</sup> and otherwise fell far short of the information required by the staff to further investigate the complaints and make determinations about the carriers' compliance with the Act and our rules and orders. Generally, the responses contain what amount to vague denials of the complainants' allegations and convey virtually no specific information about the carriers' practices or about any facts and circumstances pertinent to the complainants' allegations. Moreover, the responses appear designed to further mislead the Commission and to frustrate the staff's efforts to obtain information about the Fletcher Companies and their practices toward consumers, rather than a legitimate attempt to resolve the complaints. For example, in June 1995, in response to an Official Notice concerning a slamming complaint filed by Israela R. Franklin of Rydal,

---

<sup>18</sup> See, e.g., Frances L. Olin, Informal Complaint, File No. IC-96-08602 (Mar. 4, 1996). Olin was "astounded and upset" when she reviewed her telephone bill and discovered that it included a charge from "Integretel," a billing agent for the Fletcher Companies, for \$5.97 for a calling card that she had not ordered.

<sup>19</sup> See, e.g., Jean T. Branno, Informal Complaint, File No. IC-95-19916 (June 19, 1995).

<sup>20</sup> Because none of the Fletcher Companies had filed with the Secretary of the Commission the name of a designated agent for service of Official Notices as required by Section 413 of the Act, the Commission served the Official Notices on business addresses gleaned from, among other things, inquiries made to LECs and to the Fletcher Companies' billing agents.

<sup>21</sup> 47 C.F.R. § 1.717. Section 1.717 provides in pertinent part:

[T]he Commission will forward informal complaints to the appropriate carrier for investigation. The carrier will, within such time as may be prescribed, advise the Commission in writing, with a copy to the complainant, of its satisfaction of the complaint or its refusal or inability to do so ....

Pennsylvania, against CCN, Inc. ("CCN") on November 10, 1994,<sup>22</sup> CCN filed a letter signed by "Dan Fletcher," stating only that CCN had obtained the LOA that it relied upon to switch Franklin's long distance provider from an "independent marketing agency."<sup>23</sup> The letter does not identify the marketing agency involved; nor does it list a business address or telephone number at which Fletcher could be reached. Consistent with Fletcher's usual practice, the return address on the letter is merely a post office box.

10. Since June 1996, a number of Official Notices issued by the staff to the Fletcher Companies concerning consumer complaints have been returned to the Commission by the U.S. Postal Service marked "unclaimed," "moved," or "refused."<sup>24</sup> Starting in June 1996, the staff attempted repeatedly to contact representatives of the Fletcher Companies by telephone but was unable to complete calls to any of the telephone numbers designated by the Fletcher Companies. On August 20, 1996, an individual identifying himself as "Dan Fletcher," apparently aware of the staff's repeated efforts to contact him and his companies regarding the unresolved consumer complaints, left a voice mail message on the telephone line of an Enforcement Division staff member in which he represented that all Official Notices concerning complaints filed against the Fletcher Companies should be mailed to the following address: Long Distance Services, 2117 L Street, N.W., No. 293, Washington, D.C., 20037. The individual further stated that any Official Notices sent to this new address would be received and responded to promptly. Subsequently, the Commission mailed Official Notices to the address designated by Fletcher. To date, neither the Fletcher Companies nor Dan Fletcher himself have responded to any of these Official Notices either in writing or by telephone.<sup>25</sup>

<sup>22</sup> Israela R. Franklin, Informal Complaint, File No. IC-95-02775 (Nov. 10, 1994). In reviewing her telephone bill, Franklin discovered that U.S. Billing, a company previously unknown to her, had billed her for long distance calls rather than Sprint Communications Company, her pre-selected long distance service provider. She contacted U.S. Billing and was told that CCN, a Fletcher Company "also known as Consumer Discount Group," was her new long distance provider. Neither CCN nor Consumer Discount Group was identified on Franklin's telephone bill.

<sup>23</sup> See Letter from Daniel Fletcher, CCN Long-Distance, to Israela R. Franklin (June 21, 1995). Most of the remaining responses were to complaints by consumers alleging that DCC had enrolled them in and charged them for a discount calling card service without their authorization. DCC's responses generally assert that the complainants at issue authorized and requested the calling cards, but contain no specific information to support DCC's assertions.

<sup>24</sup> See, e.g., Notice of Informal Complaint of Richard Lavinthal, File No. IC-96-01338 (June 6, 1996); Notice of Informal Complaint of Patricia A. Jackson, File No. IC-96-28594 (Jan. 3, 1997); Notice of Informal Complaint of Jerry Suchy, Sr., File No. IC-97-02506 (Jan. 3, 1997).

<sup>25</sup> Based on the staff's investigation, the address provided in the voice mail message left by the individual identifying himself as "Dan Fletcher" is that of a mail drop location, "Mailboxes, Etc." See *infra* note 29. Representatives of Mailboxes, Etc. reported that the individuals who leased the mail drop on behalf of Long Distance Services failed to pay the requisite fees, and that consequently, Mailboxes, Etc. is no longer accepting mail on behalf of Long Distance Services. Recently, the staff obtained a new address at which to serve Official Notices of Informal Complaint filed against PCI and Monthly Phone Services, Inc.: 201 West Broad Street, Suite 181, Falls Church, Virginia, 22206. The staff mailed Official Notices relating to approximately 500 informal complaints to this address. Subsequently, the majority of these Notices were returned to the Commission marked either "moved, left no address"



11. In renewed efforts to reach principals of the Fletcher Companies regarding the growing number of consumer complaints, Enforcement Division staff obtained "Dun & Bradstreet" reports.<sup>26</sup> These reports reveal what is best described as a tangled web of corporate entities with Daniel Fletcher as the common thread. For example, "Daniel H. Fletcher" is listed in a report as the president of PCI, while "Daniel M. Fletcher" is listed in separate reports as the registered agent for Long Distance Services, Inc. ("LDSI") and DCC. According to the reports, some of the Fletcher Companies share the same business address, with certain of the companies indicating multiple business addresses. For instance, the reports list 3220 "N" Street, N.W., Suite 100, Washington, D.C., as a business address for PCI, LDSI,<sup>27</sup> and DCC.<sup>28</sup> Another address, 2200 Wilson Boulevard, Suite 102-H, Arlington, Virginia, is shared by PCI and Monthly Discounts, Inc.

12. The staff's investigation has disclosed that all of the addresses listed in the Dun & Bradstreet reports for the Fletcher Companies are mail drop locations rather than business locations maintained or operated by the Fletcher Companies.<sup>29</sup> Information contained in the Dun & Bradstreet reports reveals that in May 1996, a representative of PCI informed Dun & Bradstreet that it operated 5,000 square feet at the 3220 N Street, N.W., Washington, D.C. location<sup>30</sup> and that PCI employed 90 people.<sup>31</sup> Dun & Bradstreet advised the staff, however, that

---

or "return to sender -- not at this address."

<sup>26</sup> Dun & Bradstreet, a corporation that provides business-to-business information and services for marketing and commercial credit and collections, maintains a business information database covering 41 million companies worldwide. Dun & Bradstreet's reports provide details about these companies to help customers assess business risks and opportunities.

<sup>27</sup> LDSI is also listed at 1728 Wisconsin Avenue, Suite 300, Washington, D.C. See Dun & Bradstreet Report, Oct. 25, 1994. According to Dun & Bradstreet, which no longer quotes a credit rating for LDSI, attempts in late 1994 to confirm that the company operated an active business at the Wisconsin Avenue address were unsuccessful. *Id.*

<sup>28</sup> Dun & Bradstreet reports indicate that although DCC described itself to Dun & Bradstreet being in the "retail gifts/novelties" business, no trade experiences had been reported to Dun & Bradstreet by vendors. See *id.* Nor, according to Dun & Bradstreet, did local area and business directories include listings for DCC. *Id.*

<sup>29</sup> The following addresses have been determined to be mail drop locations: 2117 L Street, N.W., #293, Washington, D.C., 20037; 3220 N Street, N.W., #100, Washington, D.C. 20007; 1718 M Street, N.W., #143, Washington, D.C., 20036; 1728 Wisconsin Avenue, N.W., #222 and #300, Washington, D.C., 20007; 1730 North Lynn Street, #A-09, Arlington, Virginia, 22209; 2200 Wilson Boulevard, #102-H and #303, Arlington, Virginia, 22201. We note that some of the other addresses obtained as a result of the staff's investigation are post office boxes, e.g., P.O. Box 9169, Arlington, Virginia, 22199. The staff recently obtained a Letter from the Better Business Bureau of Washington, D.C., dated January 22, 1997, indicating that the Better Business Bureau had determined that all of the addresses used by the various Fletcher Companies are either post office boxes or belong to mail receiving/forwarding firms. The Fletcher Companies have apparently failed to respond to Better Business Bureau requests that they provide a *bona fide* physical location for their business operations.

<sup>30</sup> As noted in paragraph 11, *supra*, this address was also used by LDSI and DCC.

its investigation disclosed that the address provided to it by PCI and the other Fletcher Companies is simply a mail drop location. The reports obtained from Dun & Bradstreet further indicate that repeated efforts by Dun & Bradstreet representatives to contact PCI representatives regarding this information proved futile.<sup>32</sup>

13. Like the addresses described above, the telephone numbers provided by the Fletcher Companies have required Commission staff as well as consumers to maneuver a complex maze of interrelated companies in an effort to contact principals or representatives of the Fletcher Companies. Basil D. Hunt of St. Louis, Missouri, for example, asserts in his slamming complaint that even though his telephone bill identified PCI as the company that carried his long distance calls, he reached a company identifying itself as "Charity Long Distance" when he called the toll-free number on his bill to inquire about the unauthorized conversion of his long distance service provider.<sup>33</sup> Similarly, other consumers have been frustrated in their efforts to contact company representatives at purported customer service telephone numbers designated by the Fletcher Companies.<sup>34</sup> For example, numerous consumers report that the Companies' telephone numbers were not in service, while other consumers complain that the phone lines were continuously busy or went unanswered, despite ringing for minutes at a time.<sup>35</sup> In some instances, consumers were told to call or write to a customer service center in Rowlette, Texas. None of the consumers who called or sent correspondence to this center, however, received assistance with their complaints.<sup>36</sup>

---

<sup>31</sup> See Dun & Bradstreet Report, July 10, 1996.

<sup>32</sup> *Id.* Information obtained from the Virginia State Corporation Commission indicates that PCI voluntarily terminated its corporate existence on October 11, 1996. We also note that according to the Virginia State Corporation Commission, DCC was terminated by the state of Virginia on September 1, 1996, for failure to pay the requisite fees and/or file an annual report. See Certificates, Virginia State Corporation Commission, Sept. 1, 1996; Oct. 11, 1996.

<sup>33</sup> Basil D. Hunt, Informal Complaint, File No. IS-96-16959 (Aug. 14, 1996). See also Joanne Berke, Informal Complaint, File No. IS-96-13569 (Aug. 20, 1996) (Berke called a telephone number purportedly belonging to PCI, but was told that the responsible carrier was Charity Long Distance. Berke states that the designated number for Charity Long Distance was answered by a recording, but she could not leave a message because the voice mailbox was full.).

<sup>34</sup> See, e.g., Susan W. Kujawa, Informal Complaint, File No. IS-97-00636 (Oct. 7, 1996) (Kujawa called the toll-free number on her bill from PCI and reached a company identifying itself as Charity Long Distance. She called the same number a month later, and was informed that the name of the company was PCI.). Elizabeth A. Papazian, Informal Complaint, File No. IS-96-23715 (Apr. 1, 1996) (Papazian called the billing agent named on her telephone bill, Zero Plus Dialing, Inc. ("Zero Plus"), and was referred by Zero Plus to Consumer Discount Group and PCI, two of the Fletcher Companies.).

<sup>35</sup> See, e.g., Rosemary A. Fleming, Informal Complaint, cited *supra* note 15; Mark P. Rockmore, Informal Complaint, File No. IS-96-13629 (Aug. 5, 1996).

<sup>36</sup> See, e.g., Bruce E. Malcolm, Informal Complaint, File No. 97-08273 (Dec. 20, 1996).

---

B. The Fletcher Companies' Tariff Filing Practices

14. The staff's review of the files maintained by the Bureau's Competitive Pricing Division revealed that only two of the Fletcher Companies, DCC and PCI, had tariffs on file with the Commission at any time relevant to this proceeding. On November 29, 1994, DCC filed Transmittal No. 1 to introduce its Tariff F.C.C. No. 1, which established the rates, terms, and conditions for the provision of DCC's domestic calling card service within the United States.<sup>37</sup> On August 1, 1996, PCI, which was incorporated in the state of Virginia on December 27, 1995, filed its "Original Tariff F.C.C. No. 1" to establish the rates, terms, and conditions for the provision of domestic resale interexchange telecommunications service. Based on the Competitive Pricing Division's records and the complaints before us, however, it appears that PCI provided telecommunications service prior to August 2, 1996, the effective date of Tariff F.C.C. No. 1. For example, complainants Consuelo Guera of Manvel, Texas, and Basil D. Hunt of Saint Louis, Missouri, who allege that PCI switched their long distance providers from AT&T Corporation ("AT&T") to PCI without their authorization, received telephone bills indicating that PCI had carried their domestic long distance calls between March 31, 1996 and June 19, 1996,<sup>38</sup> prior to the effective date of PCI's Tariff F.C.C. No. 1.

15. Besides PCI and DCC, there are no indications that any other Fletcher Company has ever had a domestic tariff on file with the Commission. Nevertheless, the staff's investigation revealed that at least one Fletcher Company, LDSI, apparently provides or has provided domestic telecommunications service at rates not established by tariff, in violation of Section 203(a) of the Act.<sup>39</sup> For example, complainant Nisar Ahmad of Severna Park, Maryland, who asserts that LDSI switched his long distance provider from AT&T to LDSI without his authorization, submits a copy of a bill from LDSI for numerous domestic calls carried by LDSI between May 15 and May

---

<sup>37</sup> DCC's Tariff F.C.C. No. 1, which became effective November 30, 1994, establishes the rates, terms, and conditions for the provision of DCC's domestic calling card service within the United States. The tariff provides that calling card service will be billed in one-minute increments plus a flat per-call charge; a monthly service fee also applies.

<sup>38</sup> Consuelo Guera, Informal Complaint, File No. IS-96-17786 (Sept. 9, 1996) (billed for calls made between May 6 and May 20, 1996); Basil D. Hunt, Informal Complaint, File No. IS-96-16959 (Aug. 14, 1996) (billed for calls made between June 6 and June 19, 1996).

<sup>39</sup> Section 203(a) provides in pertinent part:

Every common carrier, except connecting carriers, shall, within such reasonable time as the Commission shall designate, file with the Commission and print and keep open for public inspection schedules showing all charges for itself and its connecting carriers ... and showing the classifications, practices, and regulations affecting such charges ....

23, 1996.<sup>40</sup> We note that even if LDSI, as one of the Fletcher Companies, could properly provide service pursuant to PCI's Tariff F.C.C. No. 1, that tariff did not become effective until August 2, 1996.

### III. DISCUSSION

16. Under the pro-competitive, deregulatory framework established by the Act and the Commission's implementing rules and orders, nondominant carriers enjoy significant flexibility in their provision of telecommunications services and products. This flexibility, however, is balanced by the Act and our rules and orders with requirements designed to promote fair competition in all markets, and to ensure that consumers derive the full benefit of such competition and are otherwise protected against harmful rates and practices.<sup>41</sup> Slamming is one of the most prevalent types of illegal practices by common carriers.<sup>42</sup> The Commission has declared the practice of slamming through the use of forged or falsified LOAs to be particularly egregious because it undermines the competitive nature of the interexchange marketplace and deprives consumers of their right to select the services of particular interexchange carriers to satisfy their long distance service needs.<sup>43</sup> Carriers have been strongly admonished not to engage in slamming, and many have been the subject of enforcement actions, including significant forfeitures, when they have failed to heed the Commission's warnings.<sup>44</sup>

17. In the instant case, it appears that the Fletcher Companies are either unwilling or unable to conduct lawful common carrier operations -- even within the broad parameters established by the Act and our rules and orders governing nondominant carriers. Many of the consumer complaints described in this Show Cause Order involve allegations that one or more of the Fletcher Companies changed consumers' primary interexchange carriers without their authorization, in violation of the Commission's slamming rules and orders. The Commission's PIC-change rules and orders require, among other things, that interexchange carriers obtain signed LOAs or, in the case of telemarketing solicitations, complete one of four telemarketing

---

<sup>40</sup> See, e.g., Nisar Ahmad, Informal Complaint, File No. IS-96-16481 (Sept. 6, 1996) (providing copy of telephone bill showing numerous domestic calls carried by LDSI). See also Geraldine Wade, Informal Complaint, File No. 97-06034 (Nov. 18, 1996).

<sup>41</sup> See, e.g., Section 201(b) of the Act; 47 C.F.R. Parts 32, 61, and 64.

<sup>42</sup> See, e.g., Common Carrier Scorecard, Federal Communications Commission, Common Carrier Bureau, Enforcement and Industry Analysis Divisions, Fall 1996 (stating that during 1995, slamming was the number one consumer complaint category handled by the Enforcement Division's Consumer Protection Branch).

<sup>43</sup> See, e.g., LDS, Inc. (not affiliated with Daniel Fletcher), Notice of Apparent Liability for Forfeiture, DA 96-2101(rel. Dec. 17, 1996).

<sup>44</sup> See, e.g., Excel Telecommunications, Notice of Forfeiture, DA 96-1009 (rel. June 21, 1996).

verification procedures before submitting PIC-change requests to LECs on behalf of consumers.<sup>45</sup> Viewed together, the multitude of consumer complaints, most of which have gone unanswered by the Fletcher Companies, provide substantial evidence that the Fletcher Companies have ignored the PIC-change verification procedures prescribed under the Commission's rules and orders, and have also routinely submitted PIC-change requests to LECs based on forged or falsified LOAs.

18. To further compound the egregious nature of their slamming practices through the apparent use of forged or falsified LOAs and other misleading practices, the Fletcher Companies have failed to respond to, and in some cases refused to accept, Official Notices issued by the staff in response to consumer complaints. Our records show that LDSI, PCI, and DCC each failed to respond to at least 20 Official Notices of Informal Complaint and refused to accept numerous others.<sup>46</sup> The Fletcher Companies also failed to designate agents for the receipt of official notices, orders, or other correspondence issued by the Commission, as required by Section 413 of the Act. Moreover, it appears that Daniel Fletcher and the Fletcher Companies have deliberately acted to frustrate the staff's efforts to investigate consumer complaints and inquire into the Companies' practices by failing to provide legitimate business addresses or telephone numbers where Fletcher or his companies might be reached.

19. The Fletcher Companies' apparent failure to file tariffs to establish rates and charges for the common carrier service offerings that have been implicated in the numerous consumer complaints filed with the Commission, in violation of Section 203(a) of the Act, raises additional troubling questions about the operations of the Fletcher Companies. Files maintained by the Bureau's Competitive Pricing Division reflect that only two of the Fletcher Companies -- DCC and PCI -- have filed tariffs with the Commission.<sup>47</sup> Nevertheless, as evidenced by the numerous slamming complaints we have received, at least one Fletcher Company, LDSI, has provided domestic interexchange services without having appropriate tariffs on file with the Commission. In this regard, we note that although this Commission recently adopted a complete detariffing policy for the domestic services of nondominant, interexchange carriers,<sup>48</sup> the Fletcher Companies were nonetheless required to follow Section 203(a) of the Act concerning the filing of tariffs by nondominant carriers.

20. The totality of the information obtained as a result of the staff's investigation persuades us that an evidentiary hearing is required to determine whether the continued operation

---

<sup>45</sup> See *PIC Change Order*, 7 FCC Rcd at 1038-39.

<sup>46</sup> See Appendix.

<sup>47</sup> Moreover, as stated *supra* note 37, DCC's tariff only establishes rates for domestic calling card service. PCI had a tariff on file for domestic interexchange service, but the company voluntarily terminated its corporate existence on October 11, 1996. See *supra* note 32.

<sup>48</sup> See *supra* note 9 (citing *Tariff Forbearance Order*).

of the Fletcher Companies as common carriers would serve the public convenience and necessity within the meaning of Section 214 of the Act. Further, the egregious nature of the Fletcher Companies' apparently unlawful common carrier activities and their demonstrated refusal to respond to official inquiries and correspondence from the Commission raise a reasonable likelihood of the defiance of a revocation order,<sup>49</sup> particularly under the deregulatory framework established by the Act and our rules and orders. Therefore, pursuant to Section 312(b) of the Act, the principal or principals of the Fletcher Companies and the Fletcher Companies will be required to show cause why an order to cease and desist from the provision of any interstate common carrier services without the prior consent of the Commission should not be issued.<sup>50</sup>

21. ACCORDINGLY, IT IS ORDERED that, pursuant to Sections 4(i), 214, and 312 of the Communications Act of 1934, as amended, the principal or principals of the Fletcher Companies ARE DIRECTED TO SHOW CAUSE why the operating authority bestowed on CCN, Inc., Church Discount Group, Inc., Discount Calling Card, Inc., Donation Long Distance, Inc., Long Distance Services, Inc., Monthly Discounts, Inc., Monthly Phone Services, Inc., and Phone Calls, Inc. pursuant to Section 214 of the Communications Act of 1934, as amended, and the Commission's *Competitive Carrier* proceeding should not be REVOKED.

22. IT IS FURTHER ORDERED that the principal or principals of the Fletcher Companies and the Fletcher Companies ARE DIRECTED TO SHOW CAUSE why an order directing them TO CEASE AND DESIST FROM THE PROVISION OF ANY INTERSTATE COMMON CARRIER SERVICES without the prior consent of the Commission should not be issued.

23. IT IS FURTHER ORDERED that the hearing shall be held at a time and location to be specified by the Chief Administrative Law Judge in a subsequent order, upon the following issues:

- (a) To determine the facts and circumstances surrounding the primary interexchange carrier changes made or requested by the Fletcher Companies that are the subject of various informal complaints listed in the Appendix to this Show Cause Order.

---

<sup>49</sup> See Cease and Desist Order to be Directed Against Terrance R. Noonan, 67 FCC 2d 62, 64-65 (1977) (the issuance of an order restraining an individual from future unlicensed operations is not only authorized by Section 312(b) of the Act, but is also in the public interest based on facts and circumstances demonstrating reasonable likelihood of defiance of a revocation order).

<sup>50</sup> If, for example, it is determined that the serious concerns raised in this Show Cause Order are proven, the cease and desist order could preclude Daniel Fletcher and any other principal of the Fletcher Companies from holding an ownership interest in or exercising operational control over any common carrier - either directly or indirectly - without our prior consent.

(b) To determine the facts and circumstances surrounding Long Distance Services, Inc.'s, Phone Calls, Inc.'s, and Discount Calling Card, Inc.'s failure to accept and/or respond to Official Notices of Informal Complaint issued by the staff that are identified in the Appendix to this Show Cause Order, and the Companies' inadequate responses to certain Official Notices of Informal Complaint.

(c) To determine the facts and circumstances surrounding Long Distance Services, Inc.'s failure to file tariffs covering its interstate telecommunications service offerings during the period from May 1, 1996 to the present.

(d) To determine the facts and circumstances surrounding the Fletcher Companies' failure to file with the Secretary of the Commission the name of a designated agent for service of all notices and process, orders, and requirements of the Commission.

(e) To determine, in view of the evidence adduced on issues (a) through (d) above, whether any or all of the Fletcher Companies violated one or more of the following provisions of the Communications Act of 1934, as amended, and the Commission's rules: 47 U.S.C. §§ 203(a), 208(a), 413, and 416(c) and 47 C.F.R. §§ 1.717, 64.1100, and 64.1150.

(f) To determine, in view of the evidence adduced on the foregoing issues, whether the continued operation of the Fletcher Companies as common carriers would serve the public convenience and necessity.

(g) To determine, in view of the evidence adduced on the foregoing issues, whether the issuance of an order restraining the principal or principals of the Fletcher Companies and the Fletcher Companies from future provision of interstate common carrier services is in the public interest.

24. IT IS FURTHER ORDERED that the Chief, Common Carrier Bureau, shall be a party to the designated hearing. Pursuant to Section 312(d) of the Communications Act of 1934, as amended, both the burden of proceeding and the burden of proof shall be upon the Common Carrier Bureau as to issues (a) through (g) inclusive.

25. IT IS FURTHER ORDERED that, to avail themselves of the opportunity to be heard, the principal or principals of the Fletcher Companies, pursuant to Section 1.91(c) of the

Commission's Rules,<sup>51</sup> SHALL FILE with the Commission within 30 days of the mailing of this Show Cause Order a WRITTEN APPEARANCE stating that the Fletcher Companies' principals or other legal representative will appear at the hearing and present evidence on the matters specified in the Show Cause Order. If the Fletcher Companies fail to file a written appearance within the time specified, the Fletcher Companies' right to a hearing SHALL BE DEEMED TO BE WAIVED. In the event the right to a hearing is waived, the Presiding Judge, or the Chief, Administrative Law Judge if no Presiding Judge has been designated, SHALL TERMINATE the hearing proceeding and CERTIFY this case to the Commission in the regular course of business, and an appropriate order shall be entered.

26. IT IS FURTHER ORDERED that, if it is determined that any or all of the Fletcher Companies have willfully or repeatedly violated any provision of the Act or the Commission's rules cited in this Show Cause Order, it shall further be determined whether an Order for Forfeiture shall be issued pursuant to: (1) Section 503(b) of the Communications Act of 1934, as amended,<sup>52</sup> in the amount of: (a) \$15,000 for each unauthorized conversion of complainants' long distance service in violation of 47 C.F.R. §§ 64.1100 and/or 64.1150; b) \$5,000 for each failure to respond to an Official Notice of Informal Complaint or inadequate response to an Official Notice of Informal Complaint in violation of 47 U.S.C. §§ 208(a) and 416(c) and 47 C.F.R. § 1.717; c) \$1,000 for violation of 47 U.S.C. § 413; and (2) Section 203(e) of the Communications Act of 1934, as amended,<sup>53</sup> in the amount of \$6,000 for each failure to comply with the requirements of 47 U.S.C. § 203(a), plus \$300 for each and every day of the continuance of each such violation.

27. IT IS FURTHER ORDERED that this document constitutes a NOTICE OF OPPORTUNITY FOR HEARING pursuant to Section 503(b)(3)(A) of the Communications Act of 1934, as amended,<sup>54</sup> for violations of 47 U.S.C. §§ 208(a), 203(a), 413, and 416(c), and 47 C.F.R. §§ 1.717, 64.1100, and 64.1150.

28. IT IS FURTHER ORDERED that a copy of this ORDER TO SHOW CAUSE AND NOTICE OF OPPORTUNITY FOR HEARING shall be sent by certified mail, return

---

<sup>51</sup> 47 C.F.R. § 1.91(c).

<sup>52</sup> 47 U.S.C. § 503(b).

<sup>53</sup> 47 U.S.C. § 203(e).

<sup>54</sup> 47 U.S.C. § 503(b)(3)(A).



---

receipt requested, to Daniel Fletcher, Phone Calls, Inc., and Monthly Phone Services, Inc., 201 West Broad Street, Suite 181, Falls Church, Virginia, 22206.

**FEDERAL COMMUNICATIONS COMMISSION**

*William F. Caton*

William F. Caton  
Acting Secretary

Appendix

## **Appendix**

SELECTED NOTICES TO WHICH THE FLETCHER COMPANIES HAVE FAILED TO RESPOND

96-23989	Netter, Susan	12/5/96	DCC
96-23996	Fuhrman, Ben J.	12/5/96	DCC
96-24942	Armstrong, Joseph D.	12/13/96	DCC
96-24950	Thompson, Mary	12/13/96	DCC
96-24965	Treatman, David	12/13/96	DCC
96-25028	Reddinger, Faye G.	12/13/96	DCC
96-25350	Paradise, Robert	12/13/96	DCC
96-25766	Pilgrim, Artentious	12/13/96	DCC
96-27201	Walker, Lily R.	12/20/96	DCC
96-27318	Worth, Jane H.	12/20/96	DCC
96-27544	Kemnitz, Gwyndolen T.	1/3/97	DCC
96-28543	Carlson, Susan M.	1/3/97	DCC
96-28594	Jackson, Patricia A.	1/3/97	DCC
96-28755	Madeira, Peggy	1/10/97	DCC
96-30634	Wilson, Donald E.	1/17/97	DCC
96-33753	Iparraguirre, Alicia	2/7/97	DCC
96-34403	Garcia, Donna C.	2/21/97	DCC
97-02495	Thompson, Mark	1/3/97	DCC
97-05732	Kannengiesser, Virginia	1/31/97	DCC
97-08321	Ahmed, Taslim	2/21/97	DCC
96-02938	Steven G. Zahn	7/30/96	LDS
96-07820	Johnson, Johnny C.	6/12/96	LDS
96-11050	Gayford, Andy	7/29/96	LDS
96-12904	Crosby, Stephen R.	8/27/96	LDS
96-15849	Day, Patricia	9/10/96	LDS
96-16841	Ahmad, Nisar	9/17/96	LDS
96-26049	Hayes, William	12/10/96	LDS
96-26362	Rewega, Wayne K.	12/10/96	LDS
96-31155	Peachey, Ruth Ann	1/24/97	LDS
96-31249	Olausson, Steffan	1/24/97	LDS
96-31772	Marino, Luis Gustavo	1/24/97	LDS
96-31787	Bauchiero, Carlos R.	1/24/97	LDS
96-31802	Hiller, Catherine T.	1/24/97	LDS
96-33040	Shein, Dina	2/7/97	LDS
96-33055	Li, Yen	2/7/97	LDS
96-33067	Baron, Luis F.	2/7/97	LDS
96-33068	Salmans, Gloria	2/7/97	LDS
96-33138	Coviensky, Matilda & Moe	2/21/97	LDS
96-33164	Fisher, Leona M.	2/26/97	LDS
96-33725	Rosen, Robert R.	2/7/97	LDS
97-02506	Suchy, Jr. Jerry	1/3/97	LDS
96-31769	Bridge, Patti T.	1/24/97	PCI
96-31832	Allcock, Esther	1/24/97	PCI
96-33046	Bennett, Diane S.	2/7/97	PCI

SELECTED NOTICES TO WHICH THE FLETCHER COMPANIES HAVE FAILED TO RESPOND

96-33729	Westbrock, Carol	2/7/97	PCI
96-33733	Anderson, Erika B.	2/7/97	PCI
96-33738	Karp, Sandra L.	2/7/97	PCI
97-06675	Spiegel, Kathleen Donlon	2/7/97	PCI
97-06747	Puskarz, Ryszard	2/7/97	PCI
97-06761	Esrig, Jerry & Marcia	2/7/97	PCI
97-06771	James, Ivy	2/7/97	PCI
97-02075	Sparkman, John	1/3/97	PCI
97-00488	Bounds, Judy	11/22/96	PCI
97-00979	Esham, Bob	12/19/96	PCI
97-01142	Levy, Sharone	12/9/96	PCI
97-01194	Chapman, Neal	12/13/96	PCI
97-01708	Green, John E.	12/20/96	PCI
97-01734	Weingarten, Barbara	12/20/96	PCI
97-02075	Sparkman, John	1/3/97	PCI
97-02140	Burmeister, Robert,	12/31/96	PCI
97-02155	Webber, Marci	12/31/96	PCI

KEY TO ABBREVIATIONS

DCC = Discount Calling Card

LDS = Long Distance Services

PCI = Phone Calls, Inc.

NOIC - Notice of Informal Complaint

INFORMAL COMPLAINTS FILED AGAINST THE FLETCHER COMPANIES

95-23191	Winegardner & Hammons, Inc.	7/24/95	5/1/96	DCC
95-29480	Strippoli, John (Mr.)	3/13/96	3/20/96	DCC
95-31231	Rothenberger, Loni (Mr.)	9/6/95	4/18/96	DCC
95-31232	Gauntt, Cheryl (Ms.)	9/11/95	4/18/96	DCC
96-00399	Arber, Ann L. (Ms.)	11/21/95	12/11/95	DCC
96-00503	Secord, Dean (Mr.)	12/6/95	2/1/96	DCC
96-00534	Pulik, Donna (Ms.)	12/12/95	6/28/96	DCC
96-00721	Kanouse, William (Mr. & Mrs.)	1/31/96	2/21/96	DCC
96-00745	Doner, Henry L. (Mr.)	2/1/96	2/20/96	DCC
96-00802	Hoppe, Patricia (Ms.)	2/9/96	2/28/96	DCC
96-00831	Hoagland, Mary (Ms.)	2/13/96	3/1/96	DCC
96-01334	Carlstrom, Terry (Mr. & Mrs.)	10/10/95	4/11/96	DCC
96-01450	Gold, Stanley (Mr. & Mrs.)	3/22/96	4/8/96	DCC
96-03896	Sawyer, Freda J. (Ms.)	3/18/96	4/29/96	DCC
96-03897	Graf, Margaret C. (Ms.)	3/18/96	4/29/96	DCC
96-04054	Betzing, Martin H. (Mr.)	10/19/95	9/12/96	DCC
96-04466	Buono, Jack (Mr.)	3/20/96	7/2/96	DCC
96-04653	Tucker, Frederick R. (Mr.)	3/20/96	5/6/96	DCC
96-04718	State of Connecticut/Atty. Gen.	3/15/96	6/28/96	DCC
96-04740	Tilghman, Mary E. (Ms.)	3/21/96	5/8/96	DCC
96-05023	Horn, Donna (Ms.)	10/23/95	5/23/96	DCC
96-05309	Gorman, Robert (Mr.)	10/23/95	6/6/96	DCC
96-05884	Wertz, Linda (Ms.)	10/26/95	6/13/96	DCC
96-06449	Scogna, Carole A. (Ms.)	3/4/96	6/18/96	DCC
96-06491	Harmon, Mary F. (Ms.)	3/13/96	6/18/96	DCC
96-06788	Gallagher, Maria (Ms.)	3/4/96	6/20/96	DCC
96-06912	Dobies, Thomas F. (Mr.)	3/7/96	6/21/96	DCC
96-07561	Sample, Michele (Ms.)	11/1/95	7/1/96	DCC
96-07961	Tso, Wendy (Ms.)	11/13/95	7/5/96	DCC
96-08499	Mentzer, R. W.	11/22/95	7/15/96	DCC
96-08602	Olin, Frances L. (Ms.)	3/4/96	7/11/96	DCC
96-08763	Rogers, Ronald L. (Mr.)	6/27/96	7/15/96	DCC
96-09692	Grella, Joseph J. (Mr.)	1/10/96	8/5/96	DCC
96-09849	Boono, Jack (Mr.)	2/29/96	8/2/96	DCC
96-10292	Carvell, William J. (Mr.)	11/21/95	8/12/96	DCC
96-12599	Siegel, Barbara (Ms.)	12/12/95	9/12/96	DCC
96-12971	Jemison, Faye (Ms.)	3/1/96	8/26/96	DCC
96-13178	Baker, Howard S. (Mr.)	11/22/95	9/4/96	DCC
96-13195	Levesque, Daniel R. (Mr.)	11/22/95	9/4/96	DCC
96-13670	Moran, Mary B. (Ms.)	11/22/95	9/6/96	DCC
96-13858	Coleman, Herbert (Mr. & Mrs.)	11/24/95	9/10/96	DCC
96-13898	Davis, Joan	11/3/95	9/10/96	DCC
96-14353	Pierce, Harold (Mr.)	7/16/96	9/10/96	DCC
96-15132	Rugani, Victor (Mr.)	12/11/95	9/12/96	DCC
96-16574	Quinn, Jerry (Mr.)	7/15/96	9/24/96	DCC

INFORMAL COMPLAINTS FILED AGAINST THE FLETCHER COMPANIES

96-17082	Baker, Mary Jane (Ms.)	12/8/95	9/25/96	DCC
96-17313	Burden, Hattie (Ms.)	12/8/95	9/26/96	DCC
96-17419	Perkov, Paul (Mr.)	12/8/95	9/25/96	DCC
96-17681	Lester, Kathryn (Mrs.)	12/7/95	9/26/96	DCC
96-18355	Behm, Janice (Ms.)	1/17/96	9/30/96	DCC
96-18361	Dovin, James (Mr. & Mrs.)	12/7/95	9/30/96	DCC
96-18588	Lugerner, Stanley L., M.D.	12/13/95	10/1/96	DCC
96-18952	Smyrsko, Carol (Ms.)	1/30/96	10/3/96	DCC
96-19204	Fawema Packaging Machinery, In	3/11/96	10/3/96	DCC
96-19406	Boehmer, Brian (Mr.)	11/27/95	10/8/96	DCC
96-19462	Rudell, Paul E. (Mr.)	1/31/96	10/8/96	DCC
96-19508	Levine, Norman (Mr.)	1/31/96	10/8/96	DCC
96-19510	Wrzeszczynski, Ray (Mr.)	1/31/96	10/8/96	DCC
96-19564	Hasher, Emma (Ms.)	11/27/95	10/8/96	DCC
96-19610	Edelstein, Max (Mr.)	2/2/96	10/8/96	DCC
96-20516	Crossman, Arthur N. (Mr.)	2/20/96	10/16/96	DCC
96-20829	Heimer, R.G.	1/22/96	10/16/96	DCC
96-20954	Martin Management	1/23/96	10/17/96	DCC
96-21111	Catrillo, Patricia A. (Ms.)	1/23/96	10/17/96	DCC
96-21148	Piechocki, Lori (Ms.)	1/16/96	10/18/96	DCC
96-21152		1/16/96	10/18/96	DCC
96-21163	Morrison, Robert (Mr. & Mrs.)	1/23/96	10/18/96	DCC
96-21169	Casero, Carmella M. (Ms.)	1/23/96	10/18/96	DCC
96-21236	Fleming, Ralph	1/25/96	10/21/96	DCC
96-21354	Smith, Kim Ann (Ms.)	1/23/96	10/22/96	DCC
96-21873	Days Inn of Chicago	2/5/96	10/31/96	DCC
96-21978	Pecoroni, Pat (Mr.)	2/9/96	11/5/96	DCC
96-22148	Paone, Carmen C. (Ms.)	1/23/96	11/7/96	DCC
96-22365	Price, Lola (Ms.)	2/21/96	11/7/96	DCC
96-22552	Lewis, W. F. (Mr.)	2/22/96	11/13/96	DCC
96-22929	Rodenas, George & Patricia	2/15/96	11/21/96	DCC
96-22946	Walker, Lily R.	2/22/96	11/18/96	DCC
96-23081	Mintz, Carl	2/23/96	11/18/96	DCC
96-23109	Hubbard, Margena S.	2/26/96	11/18/96	DCC
96-23360	Halter, Jeff (Mr.)	2/2/96	11/21/96	DCC
96-23563	Ruth, Veda	2/16/96	12/4/96	DCC
96-23604	Jeram, Kathleen A. (Ms.)	1/23/96	11/29/96	DCC
96-23989	Netter, Susan (Ms.)	1/16/96	12/5/96	DCC
96-23996	Fuhrman, Ben J. (Mr.)	1/16/96	12/5/96	DCC
96-24942	Armstrong, Joseph D.	4/10/96	12/13/96	DCC
96-24950	Thompson, Mary	4/9/96	12/13/96	DCC
96-24965	Treatman, David	4/9/96	12/13/96	DCC
96-25028	Reddinger, Faye G.	4/12/96	12/13/96	DCC
96-25350	Paradise, Robert	4/26/96	12/13/96	DCC
96-25766	Pilgrim, Artentious	4/26/96	12/13/96	DCC
96-27201	Walker, Lily R.	4/18/96	12/20/96	DCC

INFORMAL COMPLAINTS FILED AGAINST THE FLETCHER COMPANIES

96-27318	Worth, Jane H.	5/2/96	12/20/96	DCC
96-27544	Kemnitz, Gwyndolen T.	5/2/96	1/3/97	DCC
96-28543	Carlson, Susan M.	1/29/96	1/3/97	DCC
96-28594	Jackson, Patricia A.	4/22/96	1/3/97	DCC
96-28755	Madeira, Peggy	6/3/96	1/10/97	DCC
96-30634	Wilson, Donald E.	4/24/96	1/17/97	DCC
96-33753	Iparraguirre, Alicia	9/13/96	2/7/97	DCC
96-34403	Garcia, Donna C.	8/14/96	2/21/97	DCC
97-02495	Thompson, Mark	11/13/96	1/3/97	DCC
97-05732	Kannengiesser, Virginia	11/14/96	1/31/97	DCC
97-08321	Ahmed, Taslim	10/16/96	2/21/97	DCC
96-00492	Lide, Alsinda E. (Ms.)	12/7/95		LDS
96-01336	Brinkley, K. (Ms.)	10/11/95	4/11/96	LDS
96-01338	Lavinthal, Richard (Mr.)	2/23/96	6/6/96	LDS
96-03749	Hirsch, Nathan (Mr.)	3/18/96	5/2/96	LDS
96-03768	Matich, James (Mr. & Mrs.)	3/27/96	5/2/96	LDS
96-04054	Betzing, Martin H. (Mr.)	10/19/95	9/12/96	LDS
96-04554	Harbulak, Catherine E. (Ms.)	3/20/96	5/3/96	LDS
96-04644	Czech, Richard A. (Mr.)	3/20/96	5/6/96	LDS
96-04680	Hanshaw, Carolyn M. (Ms.)	3/20/96	11/27/96	LDS
96-07820	Johnson, Johnny C., Jr. (Mr.)	6/12/96	6/27/96	LDS
96-07837	Petchel, John, II (Mr.)	6/11/96	9/26/96	LDS
96-07842	Wan, Marvin (Mr.)	6/4/96	6/20/96	LDS
96-07868	Cornaglia, Robert A. (Mr.)	6/11/96	6/27/96	LDS
96-07879	De Boe, Gerrold (Mr.)	6/11/96	6/27/96	LDS
96-10279	Perricelli, Phillip (Mr.)	12/15/95	8/12/96	LDS
96-10284	Khalil, B. (Mr.)	12/15/95	8/12/96	LDS
96-10447	Yablansky, Martin (Mr.)	1/11/96	8/23/96	LDS
96-10563	Blair, Rebecca K. (Ms.)	7/29/96	8/1/96	LDS
96-11665	Ed Kwiatkowski RV Service Cent	4/8/96	8/28/96	LDS
96-12599	Siegel, Barbara (Ms.)	12/12/95	9/12/96	LDS
96-14019	Schloss, Howard (Mr.)	8/20/96	2/21/97	LDS
96-15388	Weiss, Bob (Mr.)	2/26/96	9/20/96	LDS
96-15639	Byrne, Patricia (Ms.)	8/28/96	9/11/96	LDS
96-15650	Fraser, Joan (Ms.)	8/28/96	9/10/96	LDS
96-15852	Kakoullis, Kyriacos S.	8/23/96	9/4/96	LDS
96-16432	Collier, Marilyn (Mrs.)	9/5/96	9/17/96	LDS
96-16574	Quinn, Jerry (Mr.)	7/15/96	9/24/96	LDS
96-16639	Ong, David (Mr.)	7/15/96	9/24/96	LDS
96-16979	Grey, Ronald L. (Mr.)	9/4/96	9/30/96	LDS
96-16996	Clifton, Janice M. (Ms.)	9/4/96	9/17/96	LDS
96-18322	Smith, Ross W. (Mr.)	9/11/96	9/23/96	LDS
96-18361	Dovin, James (Mr. & Mrs.)	12/7/95	9/30/96	LDS
96-18843	Daniels, Marilyn L. (Ms.)	9/16/96	9/30/96	LDS
96-18949	Peoples, Pat (Ms.)	1/29/96	10/3/96	LDS
96-20373	Betzing, Martin H. (Mr.)	1/25/96	10/10/96	LDS

INFORMAL COMPLAINTS FILED AGAINST THE FLETCHER COMPANIES

96-20581	Maddox, Lena (Mrs.)	9/26/96	10/16/96	LDS
96-20922	Barto, Dorothy (Ms.)	1/18/96	10/16/96	LDS
96-21057	Jameson, Karen (Ms.)	9/26/96	10/11/96	LDS
96-21148	Piechocki, Lori (Ms.)	1/16/96	10/18/96	LDS
96-23997	Cooney, Mike (Mr.)	1/23/96	12/5/96	LDS
96-24041	Hall, Mary E. (Ms.)	2/16/96	12/6/96	LDS
96-24356	Nepomuceno, Benilda N. (Ms.)	1/23/96	12/11/96	LDS
96-24950	Thompson, Mary	4/9/96	12/13/96	LDS
96-25028	Reddinger, Faye G.	4/12/96	12/13/96	LDS
96-27117	Holtzappel, Leslie	5/2/96	12/20/96	LDS
96-28206	Wright, Eileen D.	9/19/96	1/3/97	LDS
96-28379	Thompson, Mary	4/22/96	1/3/97	LDS
96-30702	Halpin, Raizel F.	9/5/96	1/17/97	LDS
96-31136	Palmeros, Taly	5/16/96	1/24/97	LDS
96-31142	Hurmiz, Emanuel	5/17/96	1/24/97	LDS
96-31155	Peachey, Ruth Ann	4/12/96	1/24/97	LDS
96-31249	Olausson, Steffan	2/5/96	1/24/97	LDS
96-31293	Haney, Teresa C.	6/13/96	1/24/97	LDS
96-31772	Marino, Luis Gustavo	6/7/96	1/24/97	LDS
96-31787	Bauchiero, Carlos R.	6/7/96	1/24/97	LDS
96-31802	Hiller, Catherine T.	6/7/96	1/24/97	LDS
96-33040	Shein, Dina	9/27/96	2/7/97	LDS
96-33055	Li, Yen	9/23/96	2/7/97	LDS
96-33067	Baron, Luis F.	8/23/96	2/7/97	LDS
96-33068	Salmans, Gloria	8/23/96	2/7/97	LDS
96-33138	Coviensky, Matilda & Moe	9/17/96	2/21/97	LDS
96-33164	Fisher, Leona M.	9/23/96	2/26/97	LDS
96-33725	Rosen, Robert R.	6/21/96	2/7/97	LDS
96-33726	Shields, Olivia	5/24/96	2/7/97	LDS
96-33727	Alvarez, Catalina	6/6/96	2/7/97	LDS
96-33728	Munnings, Jennifer M.	6/11/96	2/7/97	LDS
96-33731	Madrid, Mary M.	6/3/96	2/7/97	LDS
96-33732	Casey, Gregory P. (Dr.)	6/7/96	2/7/97	LDS
96-33736	A.L.R.	8/30/96	2/7/97	LDS
96-33737	Gevertz, John N.	8/22/96	2/7/97	LDS
96-33739	Weingarten, Barbara	9/27/96	2/7/97	LDS
96-33741	Robinson, John C.	8/23/96	2/7/97	LDS
96-33742	Gude, Vernon William	9/23/96	2/7/97	LDS
96-33743	Phillips, William E. & Penny L.	9/27/96	2/7/97	LDS
96-33745	Chin, Derval N.	9/27/96	2/7/97	LDS
96-33748	Bracken, Cheryl	9/16/96	2/7/97	LDS
96-33749	Ngo, Phi	9/16/96	2/7/97	LDS
96-33751	Mac, Lan	9/13/96	2/7/97	LDS
96-33756	Molway, Marjorie E.	6/17/96	2/7/97	LDS
96-33757	Turner, Karen	6/18/96	2/7/97	LDS
96-33761	Parker, Camber C.	6/18/96	2/7/97	LDS



INFORMAL COMPLAINTS FILED AGAINST THE FLETCHER COMPANIES

96-33871		8/6/96	2/7/97	LDS
96-33874	Cuticchia, A. Jamie (Dr.)	8/7/96	2/7/97	LDS
96-34273	Perez, Sharon B.	9/12/96	2/21/97	LDS
96-34359	Marth, Ellen A.	8/22/96	2/21/97	LDS
96-34374	Jarrell Jr., John D. (Mrs.)	5/22/96	2/21/97	LDS
96-34375	Frickey, Lynn	8/29/96	2/21/97	LDS
96-34388	Pratt, Elaine F. & James M.	8/29/96	2/21/97	LDS
96-34392		8/30/96	2/21/97	LDS
96-34393	Pannullo, Fred & Anna	8/30/96	2/21/97	LDS
96-34395	Cramer, Franklin	9/3/96	2/21/97	LDS
96-34397	Warne, Olive H.	8/13/96	2/21/97	LDS
96-34402	McGrain, Karen	8/14/96	2/21/97	LDS
96-34404	Heffernan, Michael C.	8/12/96	2/21/97	LDS
96-34405	Iaroch, Vladimir	8/12/96	2/21/97	LDS
96-34413	Lazoff, Laura	8/9/96	2/21/97	LDS
96-34414	Howard, John L.	8/28/96	2/21/97	LDS
96-34415	Cafolla, Mario A.	9/20/96	2/21/97	LDS
96-34416	Sultan, Olivier	9/20/96	2/21/97	LDS
96-34417	Clark, Morrie R.	9/19/96	2/21/97	LDS
96-34419	Levine, Satina	9/9/96	2/21/97	LDS
96-34454	Consumer Information Services	4/11/96	2/21/97	LDS
96-34468	Snitzel, Donna L.	8/8/96	2/21/97	LDS
96-34503	Morgan, Judy & Stuart	4/12/96	2/21/97	LDS
96-34532	McNeely, Margaret	9/19/96	2/21/97	LDS
96-34538	Brown, Malvern H. W., Jr.	9/20/96	2/21/97	LDS
96-34545	Edpra, Clotilde, AR (Sister)	7/30/96	2/21/97	LDS
96-34555	Caron, Rise	8/12/96	2/21/97	LDS
96-34565	Cid, Caridad	8/8/96	2/21/97	LDS
96-34569	Haight, Helen	8/12/96	2/21/97	LDS
96-34579	Rogers, Ronald L.	6/14/96	2/21/97	LDS
96-34601	Smith Katzenstein Furlow	8/27/96	2/21/97	LDS
96-34605	Fortner, Helen M.	9/30/96	2/21/97	LDS
96-34617	Allerman, Marlene	8/26/96	2/21/97	LDS
96-34626	Emerson, Edwin B., III	9/18/96	2/21/97	LDS
96-34632	Carcache, Nelson	9/24/96	2/21/97	LDS
96-34637	Williams, Richard G.	9/23/96	2/21/97	LDS
96-34638	Augustinian Recollect Sisters	8/22/96	2/21/97	LDS
96-34645	Swartz, Stephen W.	9/23/96	2/21/97	LDS
96-34649	Marks, Bryron	9/16/96	2/21/97	LDS
96-34657	Pickett, Eddy J.	9/30/96	2/21/97	LDS
97-00052	Fox Associates	10/9/96	11/19/96	LDS
97-00085	McNamara, Phyllis J. (Ms.)	10/3/96	10/21/96	LDS
97-00118	Souders, Morris D., Jr. (Mr.)	10/10/96	10/25/96	LDS
97-00158	Sucher, Robert W. (Mr.)	10/17/96	11/4/96	LDS
97-00289	Moore, Blake W. (Mr.)	11/20/96	12/9/96	LDS
97-00367	Ross, Alyson (Ms.)	11/20/96	12/12/96	LDS